

**NOTICE TO FEDERAL CUSTOMER AGENCIES AND TRANSPORTATION SERVICE
PROVIDERS PARTICIPATING IN GSA'S FREIGHT MANAGEMENT PROGRAM
(FMP) – 2 PERCENT INSURANCE RELATED SURCHARGE**

NOTE: The term "domestic" as used herein and in the Federal Register notice on this subject published May 9, 2002 (67 FR 31307) means the 48 contiguous United States and the District of Columbia.

In a letter to the General Services Administration (GSA) dated March 11, 2002, the Counsel for the National Motor Freight Traffic Association (NMFTA) requested that transportation service providers (TSP's) be allowed to assess a 2 percent surcharge on all domestic (48 contiguous states and the District of Columbia) closed van freight shipments moving under GSA's FMP. The NMFTA made this request to help offset sudden and unforeseen increases in insurance premiums resulting from economic fluctuations compounded by the events of September 11, 2001. GSA has approved the 2 percent surcharge. As a result, effective May 1, 2002, a TSP may add to an agency's billing invoice a separate line item equivalent to 2 percent of a shipment's line-haul charge.

Identified below are timeframes during which TSP's will have their next opportunity to submit either new or supplemental electronic rate offers (see column titled "Next Open Window Filing Period"). A TSP will need to make adjustments in its rate offers during the appropriate timeframe to continue to recover its costs for any elevated insurance premiums. Consequently, effective November 1, 2002, a TSP that submits electronic tender filings no longer will be permitted to bill agencies participating in GSA's FMP for an insurance related surcharge as a separate line item.

Request for Offers (RFO)	Next Open Window Filing Period	Effective Date
National Industries for the Blind (NIB) and National Industries for the Severely Handicapped (NISH) issued July 6, 2001	July or August, 2002	November 1, 2002
General Request for Offers issued February 25, 2002, including: <ul style="list-style-type: none">- General freight rate offers (Sec. 8)- Intrastate Alaska rate offers (Sec. 8)- US Postal Service (USPS) rate offers (Sec. 9)- Fire suppression support service rate offers (Sec. 10)- Agency specific non-alternating rate offers (Sec. 11)- Federal Aviation Administration, Oklahoma City, OK, rate offers	August 1 – September 6, 2002	November 1, 2002

(Sec. 12) and - Agency specific alternating rate offers (Sec. 13)		
*United States Mint issued January 7, 2002	None	May 1, 2003
*GSA Western Distribution Center, Stockton, CA issued November 9, 2001	None	May 1, 2003

Additionally, any TSP that has a paper Optional Form 280 (OF 280) on file with GSA for domestic closed van freight shipments will need to submit a supplement to each OF 280 (with an effective date of November 1, 2002) effectively adjusting its rate offers to continue to recover the cost of any elevated insurance premiums. Consequently, effective November 1, 2002, a TSP with an OF 280 freight tender on file with GSA no longer will be allowed to bill agencies participating in GSA's FMP for an insurance related surcharge as a separate line item.

*Neither U.S. Mint nor GSA Western Distribution Center, Stockton, CA, RFO's contain a supplemental filing window. Effective November 1, 2002, a TSP will not be permitted to continue billing the 2 percent insurance related surcharge as a separate line item for this traffic unless it submits a request to GSA substantiating the continued need for a surcharge and GSA approves the request.